

FINAL

SOUTHERN CALIFORNIA WETLANDS RECOVERY PROJECT BOARD OF GOVERNORS MEETING MINUTES

JUNE 6, 2002

LONG BEACH, CALIFORNIA

1. Meeting attendees:

- Chair: Alexis Strauss, U.S. Environmental Protection Agency
- Bill Berry, California Department of Parks and Recreation
- Don Chadwick (representing Robert Hight), California Department of Fish and Game
- Susan Cloke, Los Angeles Regional Water Quality Control Board
- Melanie Denninger (representing John Lormon), California Coastal Conservancy
- Peter Douglas, California Coastal Commission
- Julia Dyer (representing Gary Shallcross), Central Coast Regional Water Quality Control Board
- Bob Hoffman, National Marine Fisheries Service
- Beth Jines (representing Winston Hickox), California Environmental Protection Agency
- Jack Minan, San Diego Regional Water Quality Control Board
- Mike Spear (representing Mary Nichols), California Resources Agency
- Terry Tamminen, Environment Now, Chair of the Public Advisory Committee
- Paul Thayer, State Lands Commission
- Gerald Thibeault, Santa Ana Regional Water Quality Control Board
- Ruth Villalobos, U.S. Army Corps of Engineers
- Steve Weisberg, Southern California Coastal Water Research Project, Chair of the Science Advisory Panel

2. Budget Report

Current Budget

Melanie Denninger (Coastal Conservancy) informed the Board that the Coastal Conservancy had spent all of the Wetlands Recovery Project monies available through the 01-02 fiscal year. The Conservancy began the 01-02 fiscal year with approximately \$9.5 million of WRP funds. Over the year, the Conservancy funded twelve WRP projects, including acquisition of the Edison property at Ormond Beach. The Conservancy does not expect to get any General Fund monies for the WRP in Fiscal Year 02-03; however, the Conservancy is expected to have funds available for WRP projects through Proposition 40 allocations.

State Propositions

Mike Spear provided the Board with an overview of Proposition 40 funding. The table below broadly characterizes the allocation of \$2.4 billion from Proposition 40.

PROPOSITION 40

Local Assistance grants managed by DPR	\$730 million
Acquisition by State Agencies	\$970 million
State Parks	\$225 million
Acquisition (\$92 million)	
Development/restoration (\$133 million)	
State Conservancies	\$445 million
Coastal Conservancy (\$200 million)	
Wildlife Conservation Board	\$300 million
Miscellaneous	\$700 million
Clean beaches	\$300 million
Air Board	\$50 million
Agriculture	\$75 million
Historical and cultural	\$230 million

It is expected that up to \$30 million may be appropriated to the Coastal Conservancy from the Clean Beaches money for completion of the Bolsa Chica restoration. Some of Proposition 40 will be allocated by the legislature through separate bills, and will not become available until January 2003.

Deputy Secretary Spear also reported that there will be \$3.6 billion water bond on the November ballot. If it passes, this measure would provide \$750 million to the Wildlife Conservation Board, and approximately \$2 billion for a combination of water quality, water supply, and watershed protection projects.

Settlement Funds

Melanie Denninger reported that California EarthCorps had contributed \$1.3 million of settlement funds from Southern California Edison to acquisition of the Edison property at Ormond Beach.

Cindy Arch, Earth Island Institute (EII), reported that EII will target \$1.3 million of its Edison settlement funds to the WRP Small Grants Program. Terry Tamminen commented that this sets a great precedent for other partnering programs.

Alexis Strauss reported that the EPA had directed some settlement funds from improper disposal of dredged sediments towards acquisition of wetlands habitat at Huntington Beach.

3. Coastal America Corporate Sponsorship Program

Paul Michel (U.S. Environmental Protection Agency), co-chair of the Southwest Regional Team for Coastal America (CA), provided the Board with an overview of CA's Corporate Wetlands Restoration Partnership. This program is designed to bring private funding to wetlands restoration. The Corporate Partnership program has been very active in the northeast, and the Southwest team is modeling California's program on their efforts. Dow

Chemical is poised to become the corporate leader for California, and would then take the lead in recruiting other businesses to the program. Each company can choose their level of funding and participation in the program.

4. Project Highlights

Ormond Beach Acquisition – Melanie Denninger reported that the Conservancy had entered escrow with Southern California Edison for acquisition of approximately 300 acres of the Ormond Beach wetlands area. As reported earlier, California EarthCorps contributed \$1.3 million to the acquisition.

DeForest Park Wetlands Restoration – Karen Bane (Coastal Conservancy) presented an overview of the DeForest Park Wetlands Restoration project. DeForest Park is adjacent to the Los Angeles River and is the northern end of what could potentially be a four mile stretch of wetlands along the river. The City of Long Beach hopes to implement a multi-objective project at the park that would provide wildlife habitat, treat urban runoff for possible water reuse, and increase recreational opportunities for the local community.

The Feasibility Study for the DeForest project was completed recently and raised the critical question of whether providing wildlife habitat is compatible with treating urban runoff in the same wetland. The Study looked at three alternatives. The first maximizes public use of the park lands. The second focuses on water treatment with the goal of treating water to meet Title 22 standards for water reuse. The third alternative maximizes habitat improvements, and assumes that groundwater would be available for the project. The Study concluded that, in general, a treatment wetland will tend to have emergent vegetation with large open water areas. A habitat wetland would tend to have more variety of vegetation types with smaller patches of open water.

This project also raises the question of whether there is a risk of ecological toxicity to wildlife using an urban runoff treatment wetland. Wetlands can transform and sequester contaminants, removing them from the water column. However, little research has been done to determine the ultimate fate of these contaminants and their long-term impact on wildlife. These questions mandate that the WRP be cautious in pursuing these multi-objective projects. The Managers Group will be working with Science Panel to determine what monitoring or additional research may be needed.

Jack Minan, Chair of the San Diego Regional Water Quality Control Board, emphasized that this is an issue that the Regional Boards need to address in a broader context than just this project.

Rivers and Mountains Conservancy – Belinda Faustinos, Acting Director of the Lower Los Angeles and San Gabriel Rivers and Mountains Conservancy (RMC), was unable to attend the meeting. Melanie Denninger reported that the Coastal Conservancy, on behalf of the WRP, is working with the RMC on several projects of overlapping interest. For each project, the conservancies are grappling with which agency should take the lead, as well as when and how much funding each agency should contribute.

WRP Small Grants Program – Shawn Kelly, WRP Grant Administrator, provided the Board with a brief update on the WRP Small Grants Program, which was created in May 2001 by the Governing Board. The Small Grants Program funds community based restoration projects that further the WRP's regional goals, build the capacity of local organizations to undertake restoration projects, promote community involvement, and foster education about wetland ecosystems.

5. 2002-2003 Work Plan

The Board of Governors raised several questions about the 2002-2003 Work Plan, which they discussed among themselves and with staff from the Managers Group and Coastal Conservancy. At the Board's request, staff did not review the new projects recommended for addition to the Work Plan. The main topics of discussion are summarized below.

Bill Berry suggested that the WRP compile a list of all the projects that are needed in coastal Southern California, not just those that are ready or have willing sellers. Several Board members agreed that a comprehensive list of projects would be helpful both for project planning and development, as well as for establishing the magnitude of the need for state and federal financial support. Terry Tamminen agreed that a long list of needs could be helpful, but questioned whether the benefits were worth the amount of staff time that would be required to compile such a list. He also noted that there could be negative ramifications of targeting land that does not have a willing seller. Paul Michel noted that in the WRP Regional Strategy, the County Objectives sections identify critical needs in each County and call for additional needs assessment of critical areas.

Susan Cloke questioned how the Managers Group and Coastal Conservancy deal with areas where there are multiple projects in progress or needed. If implementing multiple projects would have a synergistic effect, would the WRP undertake several projects in one area? Melanie Denninger explained that the Conservancy tries to understand all of the needs in a project area and decide how best to address them given the organizational and political realities. A key consideration is whether a project will be vulnerable to upstream impacts, and if so, how these impacts can be addressed. Concentration of projects to achieve synergistic benefits must also be balanced against the need for an equitable distribution of the WRP's resources across the region.

Paul Thayer commented that we should be more explicit in clarifying that the "Work Plan" is not a work program for the entire WRP, but rather the work program for acquisition and restoration projects.

Bob Hoffman questioned whether funds provided to the *Caulerpa Taxifolia* Eradication Program could be used in locations other than Agua Hedionda, if the need arose. It was agreed that the funds could be redirected to a higher priority *Caulerpa* project. This might require amending the Coastal Conservancy's grant agreement with the Agua Hedionda Lagoon Foundation, but it would not require further approval from the WRP Governing Board.

The Board suggested moving two projects from Tier 2 to Tier 1: Ormond Beach Wetlands Restoration Plan and Ballona Wetlands Area C Assessment and Conceptual Restoration Plan. Board members agreed that the Area C Assessment should be a high priority for the WRP. However, there was some discussion over whether the project should be delayed until the outcome of the current acquisition negotiations are known. Several Board members felt the study should be conducted as quickly as possible. Others were concerned that initiating the study now could have an adverse effect on the ongoing negotiations. The Board agreed to move the project to the Tier 1 list, with the understanding that the Managers Group and Coastal Conservancy would consult with the State agencies leading the acquisition effort regarding the appropriate time to initiate the study. The Ormond Beach Restoration Plan was moved to Tier 1 without discussion.

Public Comment on the Work Plan

Chantal Collier, California CoastKeeper – Ms. Collier provided the Board with information about the Regional Kelp Restoration Project and urged the WRP to consider funding this project. She argued that although this project is in the nearshore waters, it is intimately linked to the coastal wetland ecosystems.

Bob Richards and David Lloyd, Agua Hedionda Lagoon Foundation – Mr. Richards and Mr. Lloyd thanked the Board for their support of the Caulerpa Taxifolia Eradication Program and assured the Board that they will apply the funds to whatever SCCAT identifies as the highest priority needs.

Marcia Hanscom, Wetlands Action Network – Ms. Hanscom praised the WRP for moving forward on Ballona Wetlands issues, but urged the Board to take even a stronger leadership role.

Robert Roy van de Hoek, Sierra Club – Mr. Van de Hoek provided the Board with information on some of the existing wetlands resources on Areas A, B, and C.

The Board approved with 2002-2003 Work Plan with the following changes/clarifications: 1) funding for the Caulerpa Taxifolia Eradication project could be applied to areas besides Agua Hedionda Lagoon, if needed; and 2) the Ormond Beach Wetlands Restoration Plan and the Ballona Wetlands Area C Assessment and Conceptual Restoration Plan were added to Tier 1.

6. Questions or comments about the meeting minutes should be directed to Trish Chapman at the Coastal Conservancy, (510) 286-0749, fax (510) 286-0470, or e-mail: tchapman@scc.ca.gov.